

# NEWS FROM

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## FOR IMMEDIATE RELEASE

### **Student loan interest rates drop to all-time low**

**Montgomery, Ala. (June 24, 2004)** – Federal student loan interest rates will drop to an all-time low on July 1, bringing significant savings to students and parents.

Federal Stafford Loan borrowers in repayment will pay 3.37 percent, while those who are still in school, within the six-month grace period, or in deferment will pay 2.77 percent. Interest rates on PLUS Loans for parents will drop to 4.17 percent.

“The historically low rates make student loans more affordable and attractive than they’ve ever been,” said Dr. Joe L. McCormick, Executive Director of The Student Loan People<sup>sm</sup> and KHEAA.

The new rates do not apply to loans disbursed before July 1, 1998. Borrowers who are repaying loans disbursed before that date may be able to take advantage of the lower interest rate by getting a Federal Consolidation Loan.

Effective for the 2004–2005 academic year, The Student Loan People’s Consolidation Loan also offers principal and interest rate reductions for both on-time and automatic payments.

For complete details about these benefits, visit [studentloanpeople.com](http://studentloanpeople.com) or call 888.678.4625.